



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET  
HARRISBURG, PA 17120  
September 8, 2025

IN REPLY PLEASE  
REFER TO OUR FILE  
M-2025-3052826

To: All Interested Parties

Re: Implementation of Act 129 of 2008—Phase V  
Energy Efficiency and Conservation Plan Template  
Docket No. M-2025-3052826

The Pennsylvania Public Utility Commission (Commission) hereby issues the Phase V Energy Efficiency and Conservation Plan (EE&C Plan) filing template and EE&C Plan template tables. With this Secretarial Letter, the Commission continues its process of establishing guidelines for implementing the fifth phase of the Act 129 EE&C Program.

On June 18, 2025, the Commission adopted an *Implementation Order*, which directed that the Phase V EE&C Program would operate from June 1, 2026, through May 31, 2031, and prescribed further energy consumption and peak demand reduction targets.<sup>1</sup> The June 18, 2025, *Implementation Order* directed the electric distribution companies (EDCs) to file Phase V EE&C Plans by November 30, 2025.<sup>2</sup> On July 24, 2025, the Commission issued for comment a proposed EE&C Plan filing template. The deadline for filing comments was August 15, 2025. The following parties filed comments: Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) and Tenant Union Representative Network (TURN), (collectively, Low Income Advocates); Keystone Energy Efficiency Alliance (KEEA); Northeast Energy Efficiency Partnerships (NEEP); Office of Consumer Advocate (OCA); PPL Electric Utilities Corporation (PPL); and Renew Home.

We have organized these comments, as well as the Commission's disposition, by EE&C Plan template section or table number below. All unaddressed comments are considered irrelevant or outside of the scope of this proceeding. Comments requesting that the Commission issue specific guidance or impose additional requirements in the template were generally rejected. The purpose of the EE&C Plan template is to request plan proposals from the EDCs in a structured format for review. The intent of the template is not to prescribe the details of EDC plans. If stakeholders find the proposal for a specific EE&C Plan element unsatisfactory in an EDC's proposed Phase V EE&C Plan, they should raise their concerns during the plan approval process. We encourage the EDCs to review the full stakeholder comment documents in the docket as their positions signal the priorities most likely to emerge during the EE&C Plan review process.

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<sup>1</sup> See *Energy Efficiency and Conservation Program Implementation Order*, at Docket No. M-2025-3052826, entered June 18, 2025. <https://www.puc.pa.gov/pcdocs/1883669.pdf>

<sup>2</sup> *Id.* at 198.

**Section 1.2 – Summary description of process used to develop the EE&C Plan and key assumptions used in preparing the plan.**

KEEA and NEEP urge the Commission to more clearly define “stakeholder engagement” and recommend requiring the EDCs to address how they will respond to stakeholder concerns. KEEA Comments at 2 and 4. NEEP Comments at 1 and 3.

The Commission agrees with KEEA and NEEP that responding to stakeholder concerns is a central part of any stakeholder engagement process, but made no change to this element of the EE&C Plan template.

Similarly, the Low Income Advocates request a broadening of the section to include the specific requirement that EDCs describe their stakeholder engagement process in both the development and implementation of their plans. Low Income Advocates Comments at 2.

The Commission agrees with the Low Income Advocates’ comment and has added the requested language to the relevant prompt in the template.

**Section 1.6 – Summary description of the EDC implementation strategy to acquire at least 75% of the portfolio MW compliance target in each season. (2025 IO at 142) If an alternative summer or winter performance window is proposed for daily load shifting programs, provide a rationale for the alternative window. If the proposal calls for differentiated windows based on local distribution system needs, summarize the proposed taxonomy and prepare a supplemental table that maps distribution assets or transmission zones to peak demand performance windows.**

Renew Home asks that the template more clearly describe the flexibility that EDCs have when proposing alternative window(s), including whether days and events can divert from the four-hour window construct, depending on locational and/or customer fatigue considerations. Renew Home Comments at 2.

The Commission clarifies in a footnote that alternative windows need to adhere to the four hours per day performance definition. The Commission prefers a single alternative window but is open to proposals that differentiate the window based on local distribution system needs, as stated in the Phase V Implementation Order.

Renew Home also requests additional instruction or guidance in the template regarding evaluation protocols for daily load shifting programs. Renew Home Comments at 2-4.

The Commission agrees with Renew Home that additional impact evaluation guidance is needed for daily load shifting programs but avers that the EE&C plan template is not the appropriate place to issue such guidance. On August 8, 2025, the SWE issued a daily load shifting impact evaluation guidance document to the EDCs and their evaluation contractors for review and comment. Once comments are reviewed and the protocol is finalized, the

Commission will incorporate it into the Pennsylvania Evaluation Framework.<sup>3</sup> We believe the SWE’s guidance document provides ample advance instruction to ensure that the EDCs propose compliant program designs.

**Section 1.8 – Summary description of EDC’s data management, quality assurance and evaluation processes.**

KEEA and the Low Income Advocates recommend the Commission broaden this section to include data sharing and cite the recent formation of a data sharing working group. The Low Income Advocates further requests including additional data sharing details to the EE&C plan template, such as intended use of the data, and nature of included datasets. KEEA Comments at 2. Low Income Advocates Comments at 3, 16.

The Commission agrees with their recommendation and has expanded the prompt for this section in the template to specifically request a summary description of plans for secure data sharing with other program administrators. The additional request from the Low Income Advocates for a more detailed prompt about data shared is rejected. Given the limited meetings of the data sharing working group to date and the complexity of the topic, we find this suggestion outside of the scope of the plan template.

**Section 1.9 – Summary description of cost recovery mechanism. FirstEnergy Pennsylvania Electric Company (FirstEnergy) should make clear whether cost recovery will occur by rate district in addition to rate class and the rationale for separating or consolidating rate districts from a cost recovery standpoint.**

In addition to requiring that FirstEnergy explain the rationale for consolidating or maintaining separate rate districts for the purposes of cost recovery, the Low Income Advocates recommend the Commission require FirstEnergy to identify whether stakeholders raised concerns with FirstEnergy’s approach in the context of the required collaborative meeting, and how FirstEnergy’s proposal addressed those concerns. Further, the Low Income Advocates suggest that the EE&C Plan template prompt FirstEnergy to explain how it will ensure equitable distribution of services across its substantial geographic footprint. Low Income Advocates Comments at 5.

The Commission disagrees with the Low Income Advocates’ suggestions. The purpose of the EE&C Plan template is simply to solicit the proposal and its rationale. Advocates may raise concerns about plan contents or the underlying rationale during the subsequent plan approval process rather than the template structure itself. Thus, the Commission made no change to this section.

**Section 3.1.5 – Confirm that the plan includes high-efficiency heat pump and heat pump water heater measures available to HEAR and other non-Act 129 program participants.**

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<sup>3</sup> The Act 129 Evaluation Framework is available in the SWE Audit Plan section of the Statewide Evaluator page of the Commission’s Act 129 website at: <https://www.puc.pa.gov/filing-resources/issues-laws-regulations/act-129/act-129-statewide-evaluator-swe/>

KEEA encourages the Commission to list additional non-Act 129 programs in this part of the template such as: the Inflation Reduction Act's Home Efficiency Rebate (HER) program, Low-Income Usage Reduction Program (LIURP), Weatherization Assistance Program (WAP), the Housing and Urban Development (HUD) home repair programs, remaining or future Whole Home Repair programs, and electrification initiatives. They also encourage the Commission to add language that asks EDCs to further delineate how they will coordinate funding across programs. KEEA Comments at 3-5.

The Commission disagrees with KEEA's suggestion that it is necessary to present an exhaustive list of programs in the EE&C Plan Template. The phrase "and other non-Act 129 program participants" is sufficient to indicate that EE&C plan narratives on braided funding opportunities for heat pumps should not be limited to the HEAR program. To KEEA's second point, the Commission feels that Section 4.4 of the EE&C plan template adequately covers funding coordination with other conservation programs and that other funding-related prompts throughout the plan template provide ample space for the EDC to supply such information.

NEEP recommends establishing a consistent qualified product list for Act 129 that aligns with IRA Home Energy Rebates programs. NEEP Comments at 2.

The Commission respectfully notes that this prompt already directs EDCs to "summarize how efficiency requirements or qualified product lists for heat pumps and heat pump water heaters will be aligned with non-Act 129 programs." The Commission encourages EDCs to make note of NEEP's suggestion, but no change to the EE&C plan is needed.

The Low Income Advocates recommend specifying the "other non-Act 129 programs" intended for inclusion in this section of the template to help ensure that EDCs align incentives across a broader scope of leveraged programs. They also recommend that the Commission require each EDC to describe how it will coordinate delivery of aligned measures with HEAR and other non-Act 129 programs. Low Income Advocates Comments at 6.

As discussed above in response to a similar suggestion from KEEA, the Commission finds the existing language of "other programs" adequate for plan development purposes and made no change. The Commission also rejects their second suggestion, as the prompt already calls for a discussion of program delivery for aligned measures.

**Section 3.1.6 – Describe any front-of-the meter (FTM) measure(s) included in the EE&C plan and the expected contribution to portfolio MWh and MW savings.**

KEEA and the Low Income Advocates both request that the Commission solicit information on the funding source of FTM measures. KEEA Comments at 3. Low Income Advocates Comments at 6.

The Commission agrees with this suggestion. Our default assumption is that measures that claim savings toward Act 129 compliance targets are funded exclusively via Act 129 budgets, but it will be useful for EDCs to state this explicitly in their EE&C plans. The Commission has expanded the prompt for this template section to ask EDCs to highlight any non-Act 129 funding sources they plan to leverage for FTM measure installation.

The Low Income Advocates also request the Commission require EDCs to provide clear and complete information describing their proposed approach to calculating FTM savings and document all assumptions upon which these savings assumptions are based. Low Income Advocates Comments at 7.

The Commission agrees with the Low Income Advocates' position that clear documentation of FTM savings assumptions is critical but refers commenters to Appendix B (Section 10), which prompts the EDCs for this information. Therefore, no change was made.

**Section 3.1.7 – Describe how the EDC defines “comprehensive” in the context of EE&C plan design and delivery and the comprehensive program(s) to be offered to the residential and non-residential rate classes. Describe the measure mix or delivery mechanism that qualifies each program as comprehensive consistent with the requirements of the Phase V Implementation Order. Refer to the “Table 8 Addendum” in the Microsoft Excel version of the template tables for a list of residential measures designated as “comprehensive.”**

PPL requests that the Commission clarify whether the EDC is directed to define the measures it considers as “comprehensive,” such that the “comprehensive” measures listed in Table 8 Addendum are recommended to be considered as “comprehensive” by the EDC, or whether the “comprehensive” measures identified in the Table 8 Addendum is a prescriptive list of “comprehensive” measures. PPL Comments at 2.

The Commission clarifies that the Table 8 Addendum list is prescriptive, in the interest of statewide consistency.

**Section 3.2 – Residential Sector (as defined by EDC Tariff) Programs – include formatted descriptions of each program.**

KEEA urges the Commission to detail collaboration with other utilities and relevant efficiency programs. Second, they ask for the section to address how different housing types, especially multifamily units, will be targeted. Lastly, KEEA opposes allowing rebate application deadlines to exceed 180 days. KEEA Comments at 3. The Low Income Advocates build on KEEA's recommendation, asking the Commission to require EDCs to describe to what extent the program will target different housing and ownership types. They also suggest requiring each EDC to summarize how it will ensure equitable program services across diverse communities in its service territory—or, that the template require EDCs to explain their strategy for ensuring equitable distribution of program services across diverse communities and historically underserved populations. Low Income Advocates Comments at 9, 10.

The Commission agrees with KEEA that information about collaboration is pertinent, but points to Section 4.4 of the template, which is dedicated to this topic; thus, no change was made. The Commission also agrees with KEEA and the Low Income Advocates regarding the importance of different housing and ownership types and has added the requested language to the template. Lastly, while the Commission agrees with KEEA that rebate applications should not be accepted more than 180 days after measure installation, there is already a requirement to justify any rebates deadlines longer than 180 days; thus, no change was made to this effect. The Commission accepts the Low Income Advocates' suggestion to solicit details regarding equitable services across historically underserved populations; the Commission has added language to Section 3.2 to request this information from EDCs in the EE&C Plans.

PPL requests that the Commission clarify whether an overall statement at the beginning of Section 3.2 that all the Residential sector programs will launch at the start of Phase V on June 1, 2026, is sufficient, or whether the EDC must repeat the same start date under this heading in each program description. Second, PPL believes that, if external standards such as ENERGY STAR become unavailable, the Commission is responsible for contingency plans, rather than the EDC, and requests the plan template to be edited accordingly. PPL Comments at 2.

First, the Commission has clarified the language in Section 3.2 to ask only for “key schedule milestones,” but requests that any programs that do not launch June 1, 2026, are marked as such when laying out program timelines. Second, the Commission agrees with PPL’s assessment of the issue of uncertain external standards and has removed the prompt from the EE&C Plan template.

The Low Income Advocates also request that each EDC be required to explain how it will track and allocate administrative time for employees and/or contractors that are not solely dedicated to working on Act 129 programming or who work across multiple sectors within the broader program portfolio. Low Income Advocates Comments at 11.

The Commission maintains that Section 4.2.3—which asks EDCs to “describe the basis for administrative budgets and the proposed approach to accounting for EDC staff time who manage the EE&C plan”—is adequate to solicit the information of interest, and no change is need to the EE&C Plan template.

The Low Income Advocates further recommend that the Commission add an additional requirement in Section 3.2 requiring EDCs to describe whether and how each residential Act 129 program will be coordinated among overlapping gas and water utility programs, as well as local, state, and federal efficiency, weatherization, and home repair programs. Low Income Advocates Comments at 11.

The Commission avers that this level of detail is not necessary at the program level but adds clarifying language on collaboration across “gas and water utility” programs to the Section 4.4.1 prompt.

In addition to addressing inter-program coordination with external non-Act 129 programs, the Low Income Advocates recommend that the Commission add an additional requirement in Section 3.2 requiring EDCs to describe how each residential Act 129 program will be coordinated with other programs within its Act 129 program portfolio and how participation in different components of umbrella programs will be encouraged. Low Income Advocates comments at 12.

The Commission agrees with this suggestion and has added a new bullet point in Section 3.2 asking EDCs to describe intra-program coordination.

**Section 3.3 – Small C&I Sector (as defined by EDC Tariff) Programs – include formatted descriptions of each program organized under the same headings as listed above for residential programs[.]**

The Low Income Advocates recommend that the Commission include an additional bullet within this section directing EDCs to discuss whether its proposed Small C&I sector programs are designed to serve multifamily buildings that fall within the Small C&I Sector, and how the EDCs will engage with multifamily properties to recruit their participation. Low Income Advocates Comments at 12.

The Commission agrees that the proposed handling of master-metered multifamily properties within the Small C&I (or Large C&I) sector is a useful EE&C plan component. Based on the abovementioned changes to Section 3.2 of the EE&C Plan Template, which now prompts EDCs to describe how each program will target a variety of housing and ownership types, EDCs should discuss plans to engage with multifamily properties within non-residential program sections.

**Section 3.5 – Qualitatively describe how the Government/Nonprofit/Institutional Sector will be served.**

KEEA and the Low Income Advocates recommend that the Commission require EDCs to separately describe how they will serve the Governmental, Non-Profit, and Institutional (GNI) sectors. KEEA Comments at 4. Low Income Advocates Comments at 14.

While this section does ask for a description of how EDCs will serve the GNI sector, the Commission has further clarified the prompt to ask EDCs to focus on key differences in program delivery strategies between the GNI and “for profit” non-residential sectors. The Commission contends that a full separate description for each component would mostly repeat the Small C&I and Large C&I sectors.

**Section 4.3.1- Provide detailed justifications for why the EDC did or did not choose to use a Conservation Service Provider (CSP) to perform specific EE&C plan functions.**

The Low Income Advocates recommend that the Commission further direct the EDCs to identify whether it will use Community Based Organizations (CBOs) to deliver its Act 129 programs, in whole or in part. Low Income Advocates Comments at 14.

While the Commission has no position on whether CBOs should be part of an EDC's CSP roster, we agree that the anticipated inclusion of CBOs merits direct discussion and have added language to 4.3.1 asking EDCs to identify plans for CBO engagement.

**Section 4.3.2 – List any selected CSPs, describe their qualifications and basis for selection (include contracts in Appendix).[...]**

KEEA recommends publicly posting each program's selected CSP on the PUC and utility websites along with the implementation plans. KEEA Comments at 5.

The Commission does not disagree with this suggestion but notes that the plan template does not dictate whether the relevant documents are published other than draft Phase V EE&C Plans.

**Section 4.4 – Coordination with Other State Conservation Programs**

PPL suggests that the Commission clarify whether general approaches and basic assumptions are permissible to describe aspects of coordination with other state conservation approaches when more detailed information is unavailable. PPL Comments at 3.

The Commission understands PPL's concern and clarifies that EDCs should include details based on the best available information, but did not alter the EE&C Plan Template.

**Section 4.4.4 – Describe plans to address health and safety issues that arise in the delivery of Act 129 services. Discuss any plans to refer Act 129 participants that could not be treated due to health and safety issues to other program administrators.**

KEEA supports addressing health and safety in Act 129 programs and urges tracking safety-related deferrals to connect customers with repair programs. They further recommend detailed data sharing of deferrals between EDCs. KEEA Comments at 5.

The Commission finds the existing language sufficiently clear in signaling each EDC to address health and safety tracking and did not edit this element of the template.

The Low Income Advocates recommend that the Commission add the following language to this section: "Identify whether any programs will provide basic health and safety measures or services." They ask that the Commission specifically require EDCs to identify other organizations and programs operating within their service territories that provide remediation and repairs of existing health and safety issues. They ask the Commission to discuss how the EDC will coordinate its programs with such organizations and programs to increase the reach of its Act 129 programming. Low Income Advocates Comments at 16.

The Commission agrees with the first recommendation and has added such language to Section 4.4. We find the second recommendation suggestive rather than explicitly informative and thus made no further change to this section of the template.

**Section 9.1.2 – Provide a statement delineating the way the EE&C Plan will achieve the requirements of the program under 66 Pa. C.S. §§ 2806.1(c) & (d).**

PPL requests clarification on how this requirement is different from the similar requirement in Section 1.1, which requires the EDC to provide a “[s]ummary description of plan, plan objectives, and overall strategy to achieve energy-efficiency and conservation goals.” PPL Comments at 4.

The Commission clarifies that in Section 1.1 the EDC shall provide a high-level “executive summary” of its plan to achieve energy-efficiency and conservation goals, while the narrative in Section 9.1.2 should provide additional detailed information delineating how the proposed plan will achieve the consumption reduction and peak demand savings targets. The Commission made no change to this element of the template.

**Section 9.1.3 – Provide a statement delineating how the EE&C Plan will achieve the low-income requirements prescribed in the 2025 IO [Implementation Order]. Additionally, describe any EDC plans to harmonize the Act 129 program delivery with low-income usage reduction programs and other external energy-efficiency, conservation, and healthy housing programs (such as the weatherization assistance program).**

The Low Income Advocates support the inclusion of this broad, portfolio level section, but recommend the Commission also require utilities to include program-level coordination details within the residential and low-income program details in Section 3.2 and 3.2.1. Low Income Advocates Comments at 17.

The Commission disagrees with this suggestion and maintains that this narrative is more appropriate at the portfolio level to limit redundancy in proposed EE&C Plans. The Commission made no change to this element of the template.

**Section 9.1.4 – Describe how the EDC will ensure that no more than 2% of funds available to implement the plan shall be allocated for experimental equipment or devices. Describe any planned pilot programs in Phase V.**

KEEA comments that utilities should be allowed to add or adjust pilot programs to encourage flexibility based on early phase results. KEEA Comments at 6.

The Commission agrees that pilot programs should be adjusted for improved outcomes, but the plan template does not disallow these adjustments and thus no change to this prompt is needed. EDCs should describe their conception of pilot programs to the best of their ability, and do not need to anticipate future adjustments.

The Low Income Advocates recommend that the Commission require EDCs to identify quantifiable metrics and benchmark achievements that it will use to assess whether the pilot program is successful and should be integrated into the Phase V Plan. Low Income Advocates Comments at 18.

The Commission strongly agrees with this recommendation and now additionally asks the EDC to “list the key research questions and metrics that will be used to assess the viability of each pilot program.”

**Section 9.2.2 – Describe how this EE&C Plan will leverage and utilize other financial resources, including strategies to leverage funds from other conservation programming in the Commonwealth, including but not limited to the Inflation Reduction Act funded programs administered by the Department of Environmental Protection.**

PPL requests that the Commission clarify the difference between what is required under Section 9.2.2 and how it differs from Section 4.4. PPL Comments at 4.

The Commission agrees with PPL that this sub-section is redundant and has removed it from the template.

**Section 9.2.3 (9.2.2 in the final template) – Describe how the EDC will address consumer education for its programs.**

The Low Income Advocates recommend that the Commission require EDCs to describe efforts to educate each sector (e.g., residential, low-income, small C&I, and large C&I), as well as segments within each sector (e.g., tenants and homeowners; single family, multifamily, and manufactured homes; etc.). Low Income Advocates Comments at 18.

The Commission agrees with this comment and has added “by sector” to the prompt in response to this suggestion.

**Section 10.A – Approved CSP contract(s) or CSP contract terms and conditions.**

PPL would like confirmation that the CSP Contract(s) included with the Phase V EE&C Plan need not be filed publicly. PPL Comments at 4.

The Commission affirms this assertion and has added a note in this section clarifying that the Commission will not release these files publicly.

**General Comments Related to Plan Template Tables**

OCA proposes requiring EDCs to file the completed Microsoft Excel template tables workbook along with their proposed EE&C Plans. OCA Comments at 1.

The Commission agrees that the Excel workbook should be part of the deliverables and has adjusted language in the conclusion of this Secretarial Letter accordingly.

PPL asks for clarification on whether the Commission prefers repeating tables throughout the Phase V EE&C Plan in different sections or whether subsequent sections should refer or link to the tables in the earlier sections, where applicable. PPL Comments at 5.

The Commission confirms that EDCs need not present the same table multiple times. EDCs may reference already-included tables as appropriate.

### **Introduction Table**

OCA asks that all carve-out goals be included in the Introduction Table for each Company. OCA Comments at 2.

The Commission clarifies that the tables in the Introduction tab are solely for Excel formula lookup purposes, to populate values in the actual EE&C Plan tables. The only carve-out goals for Phase V of Act 129 are for low-income consumption reduction. These values are already displayed in the Introduction tab. The modeled acquisition cost of the solar, CHP, and demand response portfolio components referenced by OCA were only used to inform the goal-setting process. EDCs do not have carve out goals for solar, CHP, or demand response, so these values do not belong in the Introduction Table.

### **Table 1 – Portfolio Summary of Lifetime Costs and Benefits of EE&C Plan**

OCA also asks that lifetime costs and benefits for each plan component be included in Tables 1 and 7. OCA Comments at 3.

While EDCs do not have carve out goals for solar, CHP, or demand response, the Commission concurs with this suggestion and has added a new table (15) to the Excel table template workbook with Lifetime Costs and Benefits across five categories: Market Rate EE, Low-Income EE, Solar PV, CHP and Demand Response.

### **Table 2 – Summary of Portfolio Energy Savings**

OCA proposes tracking energy savings in MMBtus in Tables 2 and 9. Separately, OCA suggests that if a portfolio includes behavioral reports as a measure, for either residential or commercial customers, in Table 2, those reductions are captured in an individual line item due to the difference in lifetime savings assumptions between behavioral reports and other measures. OCA Comments at 5.

The Commission disagrees with expressing planned savings in MMBtus, as Act 129 programs focus on electric measures. Watt-hour units are easily converted to Btus if that metric is of interest to stakeholders. Regarding the suggested expansion of Table 2 for portfolios that include behavioral reports, the Commission reminds OCA that Tables 8 and 9 provide measure life and first-year savings information by measure that will allow straightforward calculations of measure-level contribution to lifetime savings, including behavioral HER measures. Therefore, no change was made to the layout of Table 2.

## **Table 6 – Program Summaries**

The Low Income Advocates urge adding a “Lifetime MWh Savings” column to Table 6 between “Compliance MWh-year” and “Compliance MW-year.” Low Income Advocates Comments at 8.

The Commission agrees with the Table 6 suggestion and has added a Lifetime MWh Savings column accordingly.

## **Table 8 – Eligible Measures**

PPL maintains that the column Incremental Cost in Table 8, when utilized for Low-Income programs, should be Full Cost instead. Therefore, PPL requests that the Commission make that change. Also, PPL believes that Footnote 3 under Table 9 should reference Table 8, not Table 7. PPL Comments at 5.

Incremental measure cost values are a function of the measure vintage and program delivery model rather than the customer sector. While the incremental cost for low-income measures is often full material cost plus labor, there are exceptions. The Commission recommends PPL review the 2026 TRC Test Order for additional guidance on this topic and make no change to Table 8 in response to this comment. The Commission agrees with PPL’s assessment of the Table 9 footnote and made the requested change.

The Low Income Advocates recommend adding two columns to Table 8: the first to indicate programs in which measures are available; the second to indicate the quantity of each measure the EDC anticipates it will incentivize over the course of Phase V. Low Income Advocates Comments at 8.

The Commission clarifies that Table 8 will be provided separately for each program and therefore rejects the first column addition suggested by the Low Income Advocates. Additionally, Table 9 requires measure-specific savings and participation information for each program, and thus no change is made in response to this suggestion.

## **Table 8 – Addendum**

PPL recommends that the Commission consider the following measures as comprehensive: (1) 2.4.1 – ENERGY STAR Refrigerators; (2) 2.4.2 – ENERGY STAR Freezers; (3) 2.4.8 – ENERGY STAR Clothes Washers; (4) 2.4.9 – ENERGY STAR Clothes Dryers; (5) 2.4.10 – ENERGY STAR Dishwashers; (6) 2.4.11 – ENERGY STAR Dehumidifiers; and (7) 2.8.3 – Photovoltaic (PV) Solar Generation. PPL Comments at 5.

The Commission disagrees that PV Solar Generation should be a comprehensive measure. While solar significantly reduces reliance on electricity from the grid, it does nothing to lower the overall electricity consumption of a home or business. For that reason, the Commission does not believe it constitutes a comprehensive measure. No changes were

made to the other measures mentioned, as plug-in appliances alone do not match the criteria for a comprehensive measure.

### **Table 9 – Estimated Savings and Participation**

The Low Income Advocates recommend the Commission direct the EDCs to provide estimated lifecycle energy savings calculations in Table 9, in addition to annual MWh and MW values. Low Income Advocates Comments at 11.

The Commission intends for each EE&C Plan table to present a succinct set of metrics, stating that adding lifecycle savings will cause an already complex Table 9 to become unwieldy and thus less useful. The Commission made no change to Table 9.

### **Table 11 – Summary of EE&C Costs by Sector and Program**

OCA suggests adding columns to Table 11 tracking outside funding. OCA Comments at 6-7.

The Commission notes that Table 11 summarizes how EDCs plan to use their Act 129 budgets. While the leveraging of outside funds is beneficial, outside funding streams are not part of Act 129 cost recovery and therefore do not belong in Table 11.

### **Additional Comments Not Tied to an EE&C Plan Template Section**

NEEP asks the Commission to identify ways to address common barriers to participation. Next, NEEP calls upon the Commission to identify ways to attribute savings from IRA and other non-Act 129 programs prior to implementation. NEEP Comments at 3.

The Commission acknowledges the importance of removing barriers to participation but finds this suggestion unrelated to the contents of the EE&C Plan Template. The Commission resolved this issue in the 2026 TRC Order and the Phase V Final Implementation Order<sup>4</sup> and determines no update to the EE&C Plan Template is needed and no further consideration of this topic is needed.

### **Conclusion**

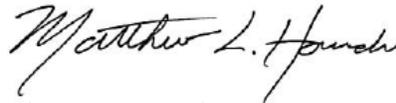
With this Secretarial Letter, the Commission is issuing an EE&C Plan Template that all jurisdictional EDCs with at least 100,000 customers will use in preparing and filing their EE&C Plans for Phase V. We require that each EDC: (1) post on its website a copy of its initial, proposed Phase V EE&C Plan, due to the Commission no later than November 30, 2025; (2) file a completed copy of the Microsoft Excel template tables along with the proposed EE&C Plan; (3) maintain on its website an electronic copy of its most current, Commission-approved Phase V EE&C Plan; and (4) post all subsequent revised versions, both clean and redlined, noting the date of Commission approval or, if not yet approved, a designation indicating that approval is pending before the Commission.

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<sup>4</sup> 2026 TRC Test Order: [Weblink](#); Phase V Final Implementation Order: [Weblink](#)

This Secretarial Letter, the EE&C Plan Template, and EE&C Plan Template Tables Excel Workbook will be published at Docket No. M-2025-3052826 and on the Commission's website at <https://www.puc.pa.gov/filing-resources/issues-laws-regulations/act-129/energy-efficiency-and-conservation-eec-program/>. If there are any technical questions regarding the attached proposed Phase V EE&C Plan Template and EE&C Plan Template Tables, please contact the Commission's Bureau of Technical Utility Services at [RA-Act129@pa.gov](mailto:RA-Act129@pa.gov), 717-783-5242. If there are any questions relating to legal or procedural issues regarding this proceeding, please contact Tiffany Tran in the Commission's Law Bureau at [tiftran@pa.gov](mailto:tiftran@pa.gov), 717-783-5413.

Sincerely,

A handwritten signature in black ink that reads "Matthew L. Homsher". The signature is written in a cursive style with a large initial "M".

Matthew L. Homsher  
Secretary

Attachment: EE&C Plan Template  
EE&C Plan Template Tables Excel Workbook

cc: Joseph Sherrick, Bureau of Technical Utility Services  
Darren Gill, Bureau of Technical Utility Services

# **Template for Pennsylvania EDC Energy-Efficiency and Conservation Plans**

To be submitted by EDCs no later than November 30, 2025

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  8. Cost Effectiveness
  9. Plan Compliance Information and Other Key Issues
  10. Appendices

### Note:

If any of your answers require you to disclose what you believe to be privileged or confidential information, not otherwise available to the public, you should designate at each point in the EE&C plan that the answer requires you to disclose privileged and confidential information. Explain briefly why the information should be treated as confidential. You should then submit the information on documents stamped "CONFIDENTIAL" at the top in clear and conspicuous letters and submit one copy of the information under seal to the Secretary's Bureau along with the EE&C plan. In addition, an expunged copy of the filing should also be included with the EE&C plan. If someone requests to examine the information, or if Commission staff believes that the proprietary claim is frivolous or otherwise not justified, the Secretary's Bureau will issue a Secretarial Letter directing that the EDC file a petition for protective order pursuant to 52 Pa. Code § 5.423.

## Energy-Efficiency and Conservation Plan

**A. Transmittal Letter** – with reference to statutory and regulatory requirements and Electric Distribution Company (EDC) contact that PA PUC should contact for more information.

**B. Table of Contents** – including lists of tables and figures.

**C. Table of Acronyms** – include definitions of any acronyms used in the plan.

**D. Mapping of Program Years to Dates** – show table identifying the start and end dates of all program years.

Program Year	Start Date	End Date
PY18	6/1/2026	5/31/2027
PY19	6/1/2027	5/31/2028
PY20	6/1/2028	5/31/2029
PY21	6/1/2029	5/31/2030
PY22	6/1/2030	5/31/2031

This EE&C plan template reflects Commission guidance issued in previous Act 129 Orders. Specifically:

- Phase V Implementation Order. Docket No. M-2025-3052826. Entered June 18, 2025. [Weblink](#) (henceforth referred to as “2025 IO”)
- Phase I Implementation Order. Entered January 16, 2009. Docket No. M-2008-2069887. [Weblink](#) (henceforth referred to as “2009 IO”)
- 2026 TRC Test Final Order. Docket No. M-2024-3048998. Entered November 7, 2024. [Weblink](#) (henceforth referred to as “TRC Test Order”)
- 2026 Technical Reference Manual Final Order. Docket No. M-2023-3044491. Entered September 12, 2024. [Weblink](#) (henceforth referred to as “TRM Order”)

### 1 Overview of Plan

*(The objective of this section is to provide an overview of the entire plan)*

- 1.1 Summary description of plan, plan objectives, and overall strategy to achieve energy-efficiency and conservation goals.
- 1.2 Summary description of process used to develop the EE&C plan and key assumptions used in preparing the plan. Provide the basis for key assumptions and discuss sources of uncertainty that may affect the plan. This summary should include a description of the EDC’s process for stakeholder engagement during both the development and implementation of the EE&C plan.
- 1.3 Summary tables of portfolio savings goals, budget, and cost-effectiveness (see Tables 1, 2, 3 and 4 of the EE&C Plan Template Tables Excel Workbook).<sup>5</sup> Introduce Table 2 with a high-level overview of Act 129 energy accounting (incremental annual, gross vs. net, meter-level

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<sup>5</sup> EDCs should review carefully the Introduction tab of the EE&C Plan Template Tables Excel Workbook prior to populating the workbook.

savings vs. system-level savings, weather-normalization of savings estimates, etc.). Introduce Tables 3 and 4 with a summary of the key peak demand accounting elements for Phase V (2025 IO at 147-157). FirstEnergy should also provide Table 2a showing the expected first-year MWh and budget by rate district.

- 1.4 Summary of program implementation schedule over the five-year plan period. Utilize the Mapping of Program Years to Dates table above to align calendars with Act 129 program years.
- 1.5 Summary description of the EDC implementation strategy to acquire at least 15% of its portfolio consumption reduction and peak demand reduction target in each program year.
- 1.6 Summary description of the EDC implementation strategy to acquire at least 75% of the portfolio MW compliance target in each season (2025 IO at 142). If an alternative summer or winter performance window is proposed for daily load shifting programs, provide a rationale for the alternative window<sup>6</sup>. If the proposal calls for differentiated windows based on local distribution system needs, summarize the proposed taxonomy and prepare a supplemental table that maps distribution assets or transmission zones to peak demand performance windows. (2025 IO at 154)
- 1.7 Summary description of the EDC implementation strategy to manage EE&C programs and engage customers and trade allies.
- 1.8 Summary description of EDC's data management, quality assurance and evaluation processes; include how EE&C programs will be updated and refined based on evaluation results and plans for secure data sharing with other program administrators.
- 1.9 Summary description of cost recovery mechanism. FirstEnergy Pennsylvania Electric Company (FirstEnergy) should make clear whether cost recovery will occur by rate district in addition to rate class and the rationale for separating or consolidating rate districts from a cost recovery standpoint.

## **2 Energy-Efficiency Portfolio/Program Summary Tables and Charts**

*(The objective of this section is to provide a quantitative overview of the entire plan for the five-year period. The audience will be those who want to see the "numbers" but not all the details.)*

- 2.1 Market Rate Residential (exclusive of Low-Income), Residential Low-Income, Small Commercial and Industrial, and Large Commercial and Industrial Sector Summaries (see Table 6).<sup>7</sup>
- 2.2 Plan data: Costs, Cost-effectiveness, and Savings by program, sector, and portfolio (see Tables 1-6).
- 2.3 Budget and Parity Analysis (see Table 7). EDC total annual revenue is inclusive of collections on behalf of Electric Generation Suppliers (2009 IO at 35). EDCs should use calendar year

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<sup>6</sup> Alternative windows must still include four performance hours per day.

<sup>7</sup> A *project* is an activity or course of action involving one or multiple energy-efficiency measures, at a single facility or site. A *program* is a group of projects, with similar characteristics and installed in similar applications. Programs should be organized around a common customer class, technology, end-use, market, or delivery mechanism. The *portfolio* consists of all the programs in the Residential, Small C&I, and Large C&I sectors. The applicable EE&C sector designation is based on a customer's rate schedule not the size of the energy-efficiency project or the type of building.

2024 to compute the share of revenue and MWh sales by customer sector. Total annual sales should include both bundled and delivery-only sales.

### 3 Program Descriptions

*(The objective of this section is to provide detailed descriptions of each proposed program and the background on why particular programs were selected and how they form balanced/integrated portfolios.)*

- 3.1 Discussion of criteria and process used for selection of programs:
  - 3.1.1 Describe portfolio objectives and metrics that define program success (e.g., energy and demand savings, customers served, number of units installed, market transformation).
  - 3.1.2 Describe how programs were constructed for each sector to provide market coverage sufficient to reach overall energy and demand savings goals. Describe analyses and/or research that were performed (e.g., benchmarking of other jurisdictions, best practices, requests for information from CSPs).
  - 3.1.3 Describe how different components such as energy-efficiency, combined heat and power, renewables, load-shifting, and other measures are included in the portfolio of programs as applicable.
  - 3.1.4 If the plan includes measures that promote fuel switching from electricity to fossil fuel, include a proposed minimum standard and provide justification for the threshold to receive program support. Combined heat and power projects are considered fuel switching (TRC Test Order at 84).
  - 3.1.5 Confirm that the plan includes high-efficiency heat pump and heat pump water heater measures available to HEAR and other non-Act 129 program participants (2025 IO at 174). Describe how program delivery will target these bundled, or interwoven, funding opportunities for measures that encourage fuel switching from fossil fuels to electricity. Summarize how efficiency requirements or qualified product lists for heat pumps and heat pump water heaters will be aligned with non-Act 129 programs.
  - 3.1.6 Describe any front-of-the meter (FTM) measure(s) included in the EE&C plan. Include the expected contribution to portfolio MWh and MW savings and disclose all non-Act 129 funding sources the EDC plans to leverage for FTM measure installation. Note that the contribution of FTM measures is limited to 10% of total plan savings (2025 IO at 78).
  - 3.1.7 Describe how the EDC defines “comprehensive” in the context of EE&C plan design and delivery and the comprehensive program(s) to be offered to the residential and non-residential rate classes. Describe the measure mix or delivery mechanism that qualifies each program as comprehensive consistent with the requirements of the Phase V Implementation Order. Refer to the “Table 8 Addendum” in the Microsoft Excel version of the template tables for a list of residential measures designated as “comprehensive” (2025 IO at 49-52 and 72).
  - 3.1.8 If Time of Use rate(s) are part of the portfolio, describe how Act 129 support will lead to improved outcomes over simply offering the time-varying tariff through rates (2025 IO at 124).

3.2 Residential Sector (as defined by EDC Tariff) Programs – include formatted descriptions of each program organized under the following headings:

- Program Name and Program years during which program will be implemented.
- Objective(s).
- Target market – including market size to help frame participation estimates (*e.g.*, number of households, electric sales etc.).
- Program description.
- If the program is considered comprehensive, discuss the programmatic elements that led to the comprehensive designation.
- If the program is an umbrella program (*e.g.*, a wide-ranging residential program that includes upstream measures, home energy reports, appliance recycling, kits, efficient product rebates, and new construction), list and describe all program sub-components (or sub-programs, initiatives, solutions, etc.) that make up the program. Note that EDCs will be required to report impacts and financials separately for each program sub-component in their annual reports.
- Describe how participation in other Act 129 programs (or other components of the same umbrella program) will be coordinated and encouraged.
- Implementation strategy (including expected changes that may occur in different program years).
- Program issues and risks and risk management strategy.
- Anticipated costs to participating customers.
- Ramp up strategy.
- Marketing strategy.
- Eligible measures and incentive strategy showing incremental cost assumptions, gross measure-level TRC ratio, and incentive levels (*e.g.*, \$ per measure, \$ per kWh or MW saved). See Table 8.
- The basis for the proposed level of incentives and the sharing of incremental measure costs between participants and the EDC.
- Maximum deadlines for rebates, including a clear and reasonable rationale for any timeframe longer than 180 days.
- Key schedule milestones.
- Assumed evaluation, measurement, and verification (EM&V) requirements required to document savings by the Commission’s statewide evaluator (SWE).
- Administrative requirements – include internal and external staffing levels expressed on a full-time equivalent (FTE) basis.
- Savings projections – include tables with estimated total MWh and MW totals per year and document the estimated savings contribution by measure, or measure category. Include forecasted summer and winter demand reduction separately. Compliance demand savings are the average of summer and winter MW savings at the system-level. See Table 9.
- Estimated participation – include tables with key assumptions of estimated participation. See Table 9.
- Estimated program budget (total) by year – include table with budget per year. See Table 10. The table should also show what percentage of the budget goes to incentive costs and what percentage goes to non-incentive costs. At least 50% of plan spending should be attributed to incentives (2025 IO at 232).
- Estimated percentage of sector budget attributed to the program.
- Cost-effectiveness – include gross and net TRC and net-to-gross ratio (NTGR) for each program. For gross tables, NTGR should be “1.0.” See Table 14, Gross and Net versions (2025 IO at 217-221).

- Summarize the results of any benchmarking efforts against other utility programs that were used to inform program design or program participation assumptions.
  - Describe how the EDC will target and engage different housing and ownership types such as multifamily dwellings and renters and ensure that program services reach historically underserved populations.
  - Other information deemed appropriate.
- 3.2.1 Low-Income Sub-Sector (as defined by 66 Pa. C.S. § 2806.1) Programs – include formatted descriptions of each program organized under the same headings as listed above for residential programs. Also include:
- Details on how the plan will meet the proportionate number of measures requirement.
  - Confirmation that all low-income compliance savings will come from specific low-income programs or low-income verified participants in multifamily housing programs.
  - Include estimates of any applicable low-income carryover savings from Phase IV. Carryover savings from Phase IV may not exceed 20% of the Phase V low-income compliance target.
- 3.3 Small C&I Sector (as defined by EDC Tariff) Programs – include formatted descriptions of each program organized under the same headings as listed above for residential programs. Additionally, include Tables 8, 9, 10, 14 (Gross) and 14 (Net).
- 3.4 Large C&I Sector (as defined by EDC Tariff) Programs – include formatted descriptions of each program organized under the same headings as listed above for residential programs. Additionally, include Tables 8, 9, 10, 14 (Gross) and 14 (Net).
- 3.5 Government/Nonprofit/Institutional Sector (as defined by 66 Pa. C.S. § 2806.1) – Qualitatively describe how the Government/Nonprofit/Institutional (GNI) Sector will be served. Highlight any key differences in the planned program delivery strategy between the GNI and C&I sectors.

#### **4 Program Management and Implementation Strategies**

*The objective of this section is to provide detailed description of how the EDC plans to manage and implement programs, including their approach to and use of Conservation Service Providers (CSPs).*

- 4.1 Overview of EDC Management and Implementation Strategies:
- 4.1.1 Describe the types of services to be provided by the EDC, as well as consultants, trade allies, and CSPs. Indicate which organizations will provide which services and the basis for outsourcing versus staffing in-house. Reference reporting and EM&V information from Sections 5 and 6 below.<sup>8</sup>

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<sup>8</sup> Services to be offered by the EDC or others may include marketing, customer recruiting, demonstration projects, audits and or installation of new efficiency measures, verification of installations and/or baseline usage, response to customer concerns, program tracking, and program evaluation.

- 4.1.2 Describe how the risk categories of performance, technology, market, policy, and evaluation can affect the programs and any risk management strategies that will be employed to mitigate those risks.<sup>9</sup>
  - 4.1.3 Describe how the EDC plans to address human resource and contractor resource constraints to ensure that adequate personnel and contractors can implement the EE&C plan successfully.
  - 4.1.4 Describe “early warning systems” that will be utilized to indicate progress towards the goals and whether they are likely to be met. Describe the EDC’s approach and process for shifting goals and funds, as needed, between programs and adding new measures/programs.
  - 4.1.5 Provide implementation schedules with milestones. Describe the status of CSP solicitations and transition plans for programs or sectors that change CSPs from Phase IV to Phase V.
  - 4.1.6 Provide a brief overview of how stakeholders will be engaged throughout Phase V. Describe how low-income communities and other marginalized populations will be represented in stakeholder engagement.
- 4.2 Executive management structure:
- 4.2.1 Describe the EDC structure for addressing portfolio strategy, planning, review of program metrics, internal and external communications, budgeting and financial management, program implementation, procurement, program tracking and reporting, and quality assurance/quality control (QA/QC). Include the EDC organization chart for the management team responsible for implementing the EE&C plan.
  - 4.2.2 Describe the approach to overseeing the performance of CSPs and other contractors and how they can be managed to achieve results within budget and ensure customer satisfaction.
  - 4.2.3 Describe the basis for administrative budgets and the proposed approach to accounting for EDC staff time who manage the EE&C plan.
- 4.3 Conservation Service Providers (CSPs):
- 4.3.1 Provide detailed justifications for why the EDC did or did not choose to use a CSP to perform specific EE&C plan functions. Identify whether the EDC or its CSP(s) will use Community Based Organizations (CBOs) to deliver its Act 129 programs and describe the expected role(s) for CBOs within the broader CSP strategy.
  - 4.3.2 List any selected CSPs, describe their qualifications and basis for selection (include contracts in Appendix). If the EDC plans to forego the competitive bidding process

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<sup>9</sup> Performance risk is the risk that, due to design or implementation flaws, the program does not deliver expected savings. Technology risk is the risk that technologies targeted by a program fail to deliver the savings expected. Market risk is the risk that customers, or other key market players (*e.g.*, contractors), choose not to participate in a program. Policy risk is the risk that changes to state or federal policies outside the control of the EDC will alter the demand for EE&C programs, the cost of efficient technologies, or disrupt process upon which the plan relies. Evaluation risk is the risk that independent EM&V will, based on different assumptions, conclude that savings fall short of what the implementers have estimated.

for any CSP, describe the rationale. Confirm that the contract value of CSP contracts that are not bid competitively is less than 1% of the total plan budget (2025 IO at 226).

- 4.3.3 Describe all pending CSP solicitations for which the EDC plans to retain CSP services but has not selected the winning bidder.

#### 4.4 Coordination with Other State Conservation Programs:

- 4.4.1 Describe how the EDC plans to collaborate with gas and water utility and other state or federal programs to achieve savings, detailing coordinated program management, tracking and reporting of outside funds, and implementation strategies. EDCs may claim the full gross verified savings for any EE&C project they support if they also incentivize or directly install eligible electric measures (2025 IO at 186-187).
- 4.4.2 Discuss how the EDC will highlight the availability of multiple funding sources and provide prospective Act 129 participants information where they can learn more about external funding opportunities (2025 IO at 190).
- 4.4.3 Propose a process to facilitate Alternative Energy Portfolio Standards (AEPS) registration for C&I participants of Act 129 programs to register their energy-efficiency projects and take advantage of the elevated AEC pricing. EDCs can design this support in a way that aligns with the needs of its customers and treat the cost of AEPS registration support as a recoverable administrative cost (2025 IO at 182-184).
- 4.4.4 Describe plans to address health and safety issues that arise in the delivery of Act 129 services. Identify whether any programs will provide health and safety measures or services. Discuss any plans to refer Act 129 participants that could not be treated due to health and safety issues to other program administrators.
- 4.4.5 Discuss strategies to collect information about dual participation to facilitate accurate reporting on braided funding opportunities and calculation of the “leverage ratio” by program. The Phase V Implementation Order defines the leverage ratio as the amount of known external funding for Phase V EE&C projects relative to the incentives issued by the Act 129 program (2025 IO at 159).

## 5 Reporting and Tracking Systems<sup>10</sup>

*(The objective of this section is to provide a detailed description of the tracking and reporting systems that the EDCs need to implement programs and to which the Commission and SWE need access to evaluate plan performance.)*

- 5.1 Indicate that the EDC will provide semiannual and annual reports as prescribed in the June 18, 2025, Implementation Order.
- 5.2 Program Tracking Systems:

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<sup>10</sup> This section may be modified if the SWE develops further reporting and tracking systems that are approved by the Commission.

- 5.2.1 Provide a brief overview of the data tracking system for managing and reporting measure, project, program, and portfolio activities, status, and performance, as well as EDC and CSP performance and expenditures.
- 5.2.2 Describe the software format, data exchange format, and database structure the EDC will use for tracking participant and savings data. Provide examples of data fields captured.
- 5.2.3 Describe how CSPs will integrate with the tracking system and the procedures to ensure the upload and exchange of data from CSPs to the EDCs is sound.
- 5.2.4 Indicate that the EDC will fulfill all quarterly and annual data requests issued by the Commission and its SWE. Describe the level of access and mechanism for access for the Commission and its SWE.
- 5.2.5 Describe the cybersecurity procedures the EDC will use to protect the personally identifiable information of program participants.

## **6 Quality Assurance and Evaluation, Measurement and Verification**

*(The objective of this section is to provide detailed description of how the EDC's quality assurance/quality control, verification and internal evaluation process will be conducted and how this will integrate with the statewide evaluation activities)*

- 6.1 Describe the overall approach to quality assurance and quality control.
- 6.2 Describe procedures for measure and project installation verification, quality assurance and control, and savings documentation.
- 6.3 Describe the process for collecting and addressing participating customer, contractor, and trade ally feedback (e.g., suggestions and complaints).
- 6.4 Describe any planned market and process evaluations and how results will be used to improve programs.
- 6.5 Describe strategy for coordinating with the EDC EM&V contractor and the SWE.
- 6.6 Describe the approach to incorporating changes to codes and standards, which may occur during Phase V of Act 129. (TRM Order at 12-14)

## **7 Cost Recovery Mechanism**

*(The objective of this section is to provide detailed descriptions and estimated values for cost recovery mechanism.)*

- 7.1 Provide the total allowable EE&C costs based on 2% of 2006 revenue. Confirm alignment with the EDC budget limit specified in the 2025 IO Section A.2.
- 7.2 Description of plan to fund the EE&C plan in accordance with 66 Pa. C.S. §§ 1307 and 2806.1. Plan costs include both incentives and administrative costs. Administrative costs may include capital expenditures for any equipment and facilities that may be required to implement the EE&C plan, as well as depreciation, operating and maintenance expenses, a return component based on the EDC's weighted cost of capital, and taxes (2025 IO at 231). Demonstrate that all such costs are reasonable and prudent, considering the goals of Act 129.

- 7.3 Provide data tables (see Tables 10, 11, 12, 13 and 14).
- 7.4 Provide and describe tariffs and a Section 1307 cost recovery mechanism, in accordance with 66 Pa. C.S. § 1307, that will be specific to Phase V Program costs. Provide all calculations and supporting documentation.
  - 7.4.1 FirstEnergy should make clear whether cost recovery will occur by rate district in addition to rate class, and the rationale for separating or consolidating rate districts from a cost recovery standpoint.
- 7.5 Describe how the cost recovery mechanism will ensure that measures are financed by the same customer class that will receive the direct energy and conservation benefits.
- 7.6 Describe how Phase V costs will be accounted for separately from costs incurred in prior phases.

## **8 Cost Effectiveness**

*(The objective of this section is to provide a detailed description of the cost-effectiveness criteria and analyses. It can refer to appendices with program data.)*

- 8.1 Provide, in table format, the values contained in the Outputs tab of the Avoided Cost Calculator.<sup>11</sup> Additionally, a completed copy of the Avoided Cost Calculator should be provided with the filing. FirstEnergy should prepare and submit a single avoided cost forecast for FirstEnergy PA that combines values for the four legacy EDCs (TRC Test Order at 99-100). Discuss any sensitivities or key considerations associated with the forecast of avoided costs.
- 8.2 Confirm the use of a 3% real discount rate and a 5% nominal discount rate (TRC Test Order at 15).
- 8.3 Explain and demonstrate how the proposed plan will be cost-effective as defined by the TRC Test specified by the Commission (TRC Test Order at 17).
- 8.4 Provide TRC data tables on a gross and net TRC basis. See Tables 14, Gross and Net versions.

## **9 Plan Compliance Information and Other Key Issues**

*(The objective of this section is to have specific areas in the EE&C plan where the Commission can review miscellaneous compliance items required in legislation and address key issues in the EE&C plan, portfolio, and program design.)*

- 9.1 Plan Compliance Issues.<sup>12</sup>
  - 9.1.1 Describe how the plan provides a variety of energy-efficiency and conservation measures and will provide the measures equitably to all classes of customers in accordance with the 2025 IO.

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<sup>11</sup> Available at <https://www.puc.pa.gov/pdocs/1855612.xlsx>

<sup>12</sup> These sub-sections may reference other chapters of the plan as they may restate what was included elsewhere in the plan and are collected here only for convenience of review.

- 9.1.2 Provide a statement delineating the way the EE&C plan will achieve the requirements of the program under 66 Pa. C.S. §§ 2806.1(c) & (d).
  - 9.1.3 Provide a statement delineating how the EE&C plan will achieve the low-income requirements prescribed in the 2025 IO. Additionally, describe any EDC plans to harmonize the Act 129 program delivery with low-income usage reduction programs and other external energy-efficiency, conservation, and healthy housing programs (such as the weatherization assistance program).
  - 9.1.4 Describe how the EDC will ensure that no more than 2% of funds available to implement the plan shall be allocated for experimental equipment or devices. Describe any planned pilot programs in Phase V and list the key research questions and metrics that will be used to assess the viability of each pilot program.
  - 9.1.5 Describe how the plan will be competitively neutral to all distribution customers even if they are receiving supply from an EGS.
  - 9.1.6 If the plan includes midstream delivery of non-residential lighting, include a description of how participating distributors will document that the replaced lighting equipment is not LED.
- 9.2 Other Key Issues:
- 9.2.1 Describe how this EE&C plan will lead to long-term, sustainable energy-efficiency savings in the EDC's service territory and in Pennsylvania.
  - 9.2.2 Describe, by sector, how the EDC will address consumer education for its programs.
  - 9.2.3 Describe how the EDC will provide the public with information about the results from the programs.

## 10 Appendices

- A. Approved CSP contract(s) or CSP contract terms and conditions. Such contracts will not be released publicly.
- B. Calculation methods and assumptions. Describe methods used for estimating all program costs, including administrative, marketing, and incentives costs; include key assumptions. Describe assumptions and present all calculations, data and results in a consistent format.

**Templates for the numbered tables referenced above are provided in the accompanying Microsoft Excel workbook. This EE&C Plan Template, the Secretarial Letter, and EE&C Plan Template Tables Excel Workbook will be published at Docket No. M-2025-3052826 and on the Commission's website at <https://www.puc.pa.gov/filing-resources/issues-laws-regulations/act-129/energy-efficiency-and-conservation-ee-c-program/>. The tables include EDC-specific lookups of key values from the 2025 IO and formulas for totals and other summary statistics.**